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**Dairy** EXCELLENCE  
**Dairy Week In Review**

Dated June 14, 2023



**Markets:**

| Dairy Prices                | Price          | Chge. from Week Ago | Chge. from Month Ago | Chge. from Year Ago |
|-----------------------------|----------------|---------------------|----------------------|---------------------|
| Class III Milk Price (June) | \$15.09/cwt.   | ▼ 1.2 %             | ▼ 8.0 %              | ▼ 38.1 %            |
| Class IV Milk Price (June)  | \$18.11/cwt.   | —                   | ▲ 0.6 %              | ▼ 29.8 %            |
| Com (July)                  | \$ 6.11/bushel | ▲ 0.5 %             | ▼ 4.9 %              | ▼ 21.1 %            |
| SBean Meal (July)           | \$390.9/ton    | ▼ 1.5 %             | ▼ 6.2 %              | ▼ 6.4 %             |
| DMC Margin (April)*         | \$ 5.84/cwt.   | —                   | ▼ 4.0 %              | ▼ 52.5 %            |

*\*Each issue of "Dairy Week in Review" will report on the most recent Milk Margin published through USDA's Dairy Margin Coverage Program. This margin is published each month after the USDA Ag Prices Report is released.*

- US dairy export volumes, on a milk solids basis, fell 13 percent to 185,476 MT MSE in April 2023. The decline was the worst year-to-year monthly decline in four years. The total export value in April fell 17 percent to \$697.6 million. Skim milk and nonfat dry milk shipments were down 9 percent, while whole milk powder shipments were down 12 percent. Cheese exports fell 12 percent while butterfat exports were down 65 percent, on a volume basis. Despite April's steep declines, year-to-date volumes are still only trailing year-ago levels by 0.3 percent. The year-to-date value of dairy exports is down 3 percent through April, due to lower milk prices.
- The dairy price index on the latest Global Dairy Trade session fell 0.9 percent to \$3,399 per metric ton. This was the second session-to-session decrease. Butter prices were still up 0.5 percent, while Cheddar prices were up 7.4 percent. Whole milk powder prices were down 3 percent.
- The May Food Price Index released by the United Nation's Food and Agriculture Organization shows global food prices falling from record highs a year ago. The FFPI was at its lowest level since early 2021, falling to 124.3 points in May. The Dairy Price Index fell to 118.7 points in May, down 3.2 percent from last month. The dairy index is now at its lowest level since September 2021, with lower global prices for all major dairy foods.

**Government & Industry:**

- The International Dairy Foods Association recently released a dairy economic impact study. In the report, the US dairy industry was estimated to generate about 3.2 million total jobs, \$200 billion in wages, and \$72 billion in federal, state and local taxes (excluding sales tax). The U.S. dairy industry is 3.0% of the Gross Domestic Product (GDP). GDP is the sum of all the goods and services produced across all industries in the U.S. The nation's dairy industry contributes more than \$793.7 billion in total economic impact. The Pennsylvania dairy industry accounts for 4.0% of the national dairy industry's 3.0% GDP. Dairy processing and dairy farming in the Keystone State is responsible for \$13.4 billion in direct economic impact, 55,584 directly related jobs, and \$2.45 billion in direct wages. The Pennsylvania dairy industry has a total economic impact, direct and indirect, of \$31.9 billion. Like the national trend, the direct economic impact is amplified by the indirect impact. Directly related jobs are only 41% of the total 134,613, while total direct economic impact is only 41% of the total \$31.9 billion, and direct wages only account for 30% of the \$8.23 billion wage total. The Commonwealth dairy industry contributes over \$3.0 billion in federal, state and local taxes (excluding sales tax). In terms of dairy products in PA, fluid milk contributes the largest portion of direct impact at \$3.45 billion, followed by cheese at a distant second with \$995 million. Dairy farming contributes \$3.35 billion to the state's total economic impact.